

August 11, 2009

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK
One Bowling Green
New York, NY 10004-1408

Honorable Robert E. Gerber
United States Bankruptcy Judge

In re GENERAL MOTORS CORP., et al., Chapter 11 Case No. 09-50026 (REG)

I respectfully submit the following:

- I have previously introduced myself to the court on June 15, 2009 in Document #2297.
- I wish to thank the court and the Garden City for providing the site.
- After listening to all 29 hours and 48 minutes of court audio and reading many of the Court Documents, I'm still uncertain of what happened to the bondholders. About 90% of your Honor's comments were muffled, clipped and unintelligible.
- I have written a letter to the US Trustee without a response to date, and sent an e-mail to the attorney and financial advisor for an unofficial Ad Hoc committee of unsecured bondholders, again without response to date.
- I have found no evidence presented relating to the Official Committee of Unsecured Creditors consideration of any interest of individual bondholders as a fiduciary responsibility would imply.
- I found no evidence that any members of the Official Committee of Unsecured Creditors secluded themselves because of inherent "conflict of interest" as a fiduciary responsibility would imply.
- I have found no evidence of any consideration the contractual obligations GM assumed in their various debenture prospectus when they solicited bondholders.
- I have found no statement of creditor order or the bondholder recovery priorities relative to other creditors were determined, or how the bondholders recovery were evaluated other than the mandate from the U.S. Treasury.
- The terms of the prospectus have not been followed in this process.

- I can only find fleeting evidence that GM and the US Treasury drove the evaluation of the 28 outstanding GM bonds at 225 shares /\$1000 face value regardless of the prospectus yield rates (1.5% to 9.45%), previous interest paid, maturity dates (6/1/2009 to 2/15/2052), callability, and etc. These conditions vary the GM liability and bondholders ROI by 400% or more. This is fair and equitable?
- It appears that I may only recover \$0.10 for each \$10,000 GM promised.
- It appears bonds have been treated like stock, they should be treated by the terms of their prospectuses.
- The union collective bargaining caused increased GM costs and debt (as stated in various bond prospectuses). GM's mismanagement of its businesses and not controlling costs and adequate margins left itself vulnerable to this situation. Government's inadequate regulation of the financial institutions and trying to spend itself out of debt made the financial meltdown a reality. In summary, all three have shared responsibility for the GM bankruptcy.
- The GM prospectus stated the proceeds of the bond solicitation would "be used for general corporate purposes, including the repayment of existing indebtedness". As a result GM (from proceeds), UAW (in wages and benefits), Canada and US governments (in taxes), all of whom have responsibility for causing this bankruptcy, have all benefited at bondholders expense. Is this a violation of Sections 111 to 115 of the Bankruptcy Act?
- Defendant and their attorneys have chosen not to respond to questions concerning disproportionate evaluations of the four major non-secure creditors.
- Henderson, et al, seem to be saying their 'only' rationale for this disproportionate and preferential evaluation is, to borrow a phrase from former-President William Clinton, "because I could".
- Henderson said that GM has not received any interest to buy the company. He did say that GM had made it clear that individual brands could be purchased, thus ruling out many potential buyers.
- Henderson said that GM had to take four brands, but has not offered proof that GM could not survive with three brands while selling the fourth to increase unsecured creditor recovery.
- GM's mismanagement has squandered the bondholder's investment, but is coming out with nearly 100% of the assets.

- President Obama's pledge of transparency certainly has not had any impact on how the disproportionate evaluations of the four major non-secure creditors that have trickled through the Auto Task Force (auto-czar) or the apparent treatment of all bonds as the same were made.
- On July 11, 2009, the media reported that in a speech President Obama said "Yet the fact is we're in 2009, the West and the United States has not been responsible for what's happened to Zimbabwe's economy over the last 15 or 20 years. It hasn't been responsible for some of the disastrous policies that we've seen elsewhere in Africa. And I think that it's very important for African leadership to take responsibility and be held accountable." The bondholders have not been responsible for what's happened to GM so why are the Administration, UST, Auto Task Force, Court, and GM making the bondholders responsible? It should likewise be very important for GM, unions and both Government leaderships to take responsibility and be held accountable.
- Mr. Harvey Miller's first day motion (6/01/2009) "media reporting in full detail" but did not report that Treasury loans were secured, others "are not weighted down by cost and expenses", \$13.4B (but did not say secured), LSA \$4B, Canadian (didn't not say secured), benefit of all party and entities, \$28B secured debt, new loans from Treasury, Canada & Ontario was not said to be secured, \$6B secured part of \$33B). Garden City web site. Bondholders \$28B, 8-K form. 54% bondholders support.
- Later it was announced that the UST and Canadian loans were secured. I found nothing stating what was secured nor why this didn't violate the debenture contracts GM had with the bondholders.
- UAW's response was they required their portion for medical benefits. That may be, but many bondholders also require their contracted portions for future medical costs as well.
- Why wasn't the rushed agreement between the union and GM considered a violation on Section 111?
- Is this what GM and their attorneys termed "cram down" as used in "Exchange Offer and Consent Solicitations" page 35 and others?
- The only real difference I see between the B. Madoff case and this one is that this one is authorized by the Legislative branch, mandated by the Executive branch and sanctioned by the Judiciary Branch of our federal government. Government driven, court sanctioned.
- Indeed many of the B. Madoff investors, according to the US Trustee, have recently and will in the future come out much better than the GM bondholders. Even Madoff himself will be rewarded free shelter with better temperature

controls, more nourishing board and better medical care for life, things that many individual bondholders can't afford after much of their retirement was taken.

- On July 15, 2009, less than 10 days after the court order, the media reported "General Motors will invest \$1 billion to develop two car models in Brazil, despite woes at the company's headquarters in the U.S., the company announced on Wednesday".
- This court order, as I understand it, allows the three parties that have caused this bankruptcy and benefited in the past to benefit now in the re-structuring and will be allowed to benefit a third time in the future at unsecured creditor's expense.
- This may be legal, but it is certainly not fair, equitable, just, nor prudent settlement for all parties.

Please let me know how to submit a "Proof of Claim".

Sincerely,



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